



16 October 2023

Parliamentary Budget Office Activity Report

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At a glance

This report provides an update on Parliamentary Budget Office (PBO) activities since the last activity report published on 12 May 2023 up to 30 September 2023. Key highlights include:

- Costing demand remains strong with a higher than expected level of parliamentarian requests completed in a more timely way. In 2022-23 we received 787 request options completing 721, more than double the volume received in the first year after the last election (2019-20). Median time to completion was 14 days (target 15 days). Higher volumes have been sustained through the first 3 months of 2023-24, with 233 options received and 240 completed. Median time to completion was 14 days.
- A record number of self-initiated products were published over the year, including new interactive tools on our new website. A total of 19 were published in 2022-23, and 3 since May, including our flagship *Beyond the budget 2023-24* report on fiscal sustainability, *Build your own budget* interactive tool and *Historical budget forecasts* data back to 1996-97.
- We commenced proactive agency roadshows with key Commonwealth agency stakeholders and have refreshed our feedback processes with parliamentarians to continuously improve our offering.
- Our new website was launched in June, and we are increasingly using data visualisation tools to make the complex accessible, innovating in how we present our self-initiated work.
- We also made progress to simplify and unify our costing models, mature our business workflows as well as adjusted how we work to improve our capacity and resilience.

PLANNED ACTIVITIES BY FUNCTION

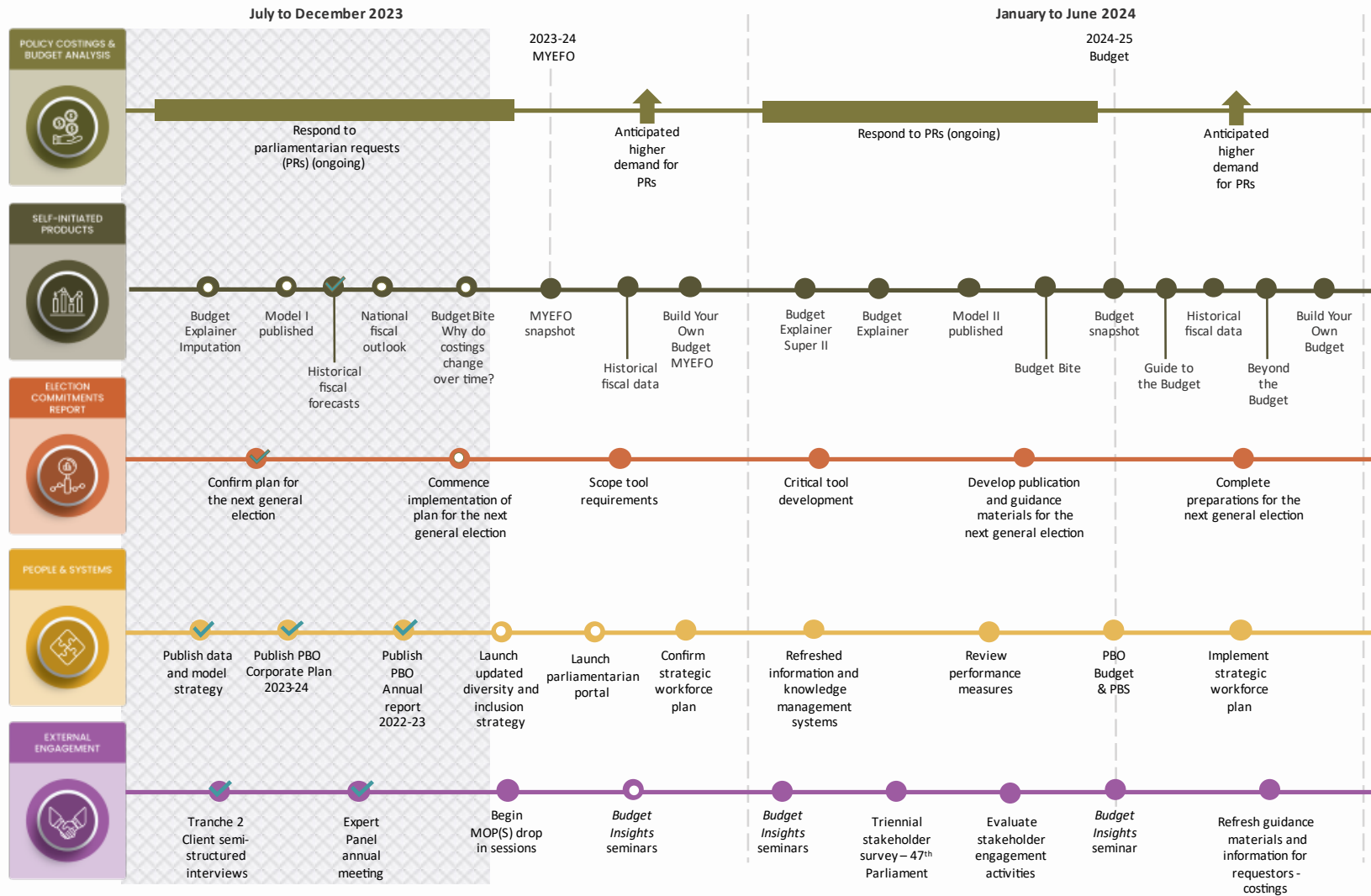
JULY 2023 TO JUNE 2024



Parliamentary
Budget Office

LEGEND

- ✓ Activity complete
- Activity commenced



Our activities in detail

The activity report provides an update on our key activities since our previous activity report, published on 12 May 2023, up to 30 September 2023. This supports transparency about how we are delivering against the priorities we outlined in our [corporate plan](#). For information on our achievements before 12 May 2023, please see our [annual report](#) and previous [activity reports](#).

- The PBO’s purpose is to inform the Parliament by providing independent and non-partisan analysis of the budget cycle, fiscal policy and the financial implications of proposals.

Parliamentarian requests

We continue to experience strong demand for costing and budget analysis services. In 2022-23, we received and completed more than double the request options from parliamentarians compared to 2019-20 (the most recent post-election year) (Table 1 and Figure 1).

Demand has stabilised in the first quarter of 2023-24, and remains strong. We completed more options than we received in the quarter, consistent with our aim to not let a backlog of requests build-up over time, and to provide timely responses.

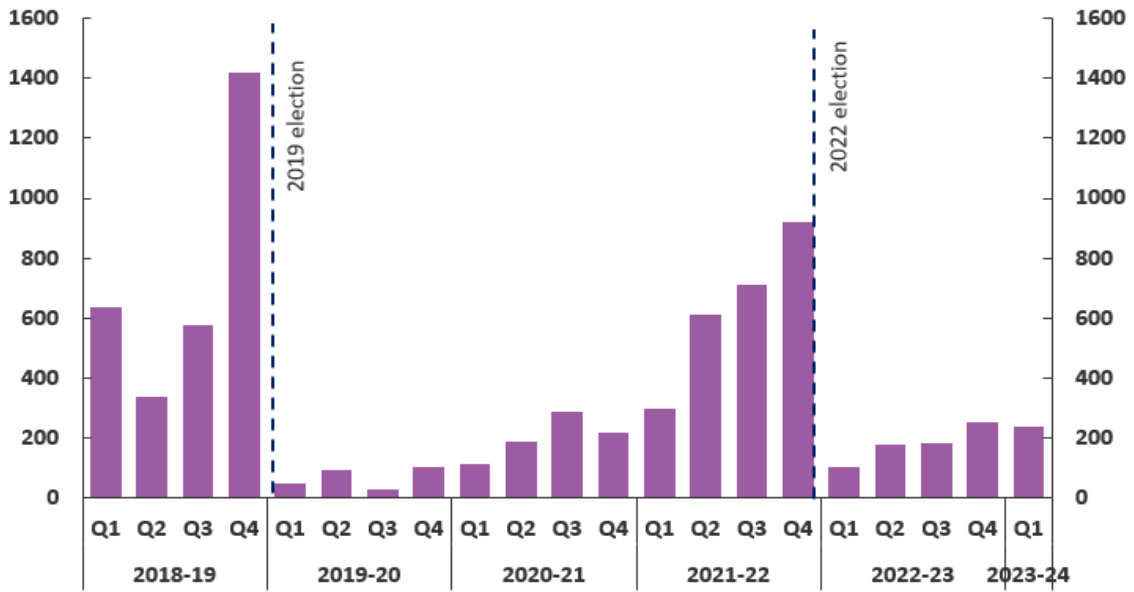
Table 1: Costing and budget analysis request performance to 30 September 2023

	19-20 total	20-21 total	21-22 total	22-23 total	23-24 Q1
Request options outstanding at the start of period	20	40	343	35	87
Request options received in period	332	1,253	3,241 ^(a)	787 ^(c)	233 ^(d)
Request options completed in period	279	813	2,550 ^(a)	721	240
Average time to completion (business days)	27	31	29	15	14
Median time to completion (business days)	25	35	18	14	14
Request options withdrawn in period	33	137	999 ^(b)	14	5
Request options outstanding at the end of period	40	343	35	87 ^(c)	75 ^(d)

Note, the table identifies the number of ‘options’ received by the PBO, noting that a single request can contain multiple options. The number of options for a request is assessed as part of confirming the exact specification of the request.

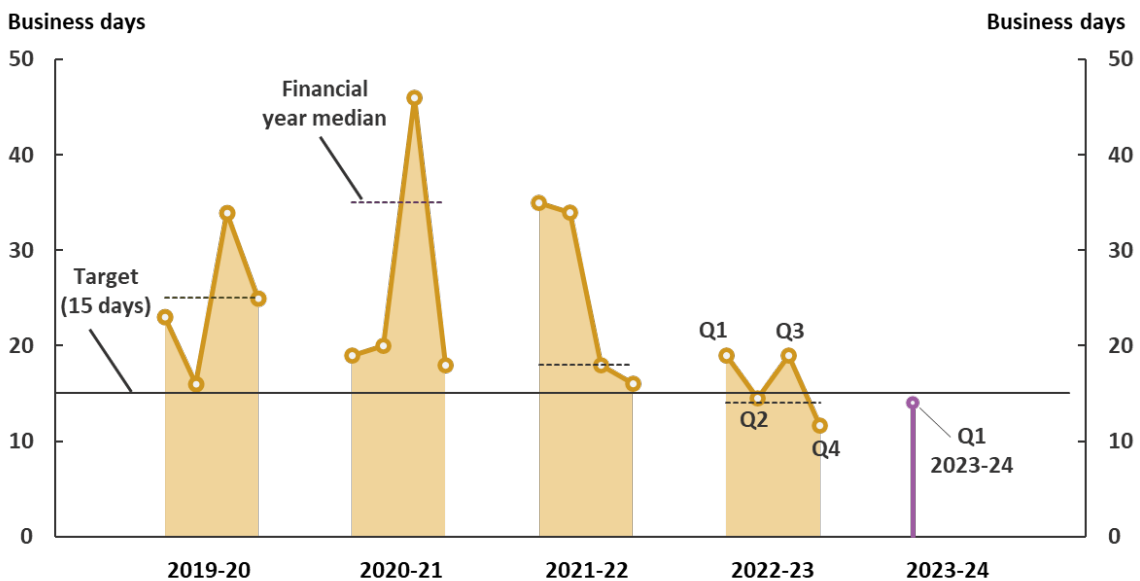
- This includes 316 costings prepared for the 2022 Election commitments report. 314 costings were for commitments by parties and 2 additional costings were for interactions between policies.
- Most of these requests were automatically withdrawn due to the expiration of the 46th Parliament in accordance with the PBO’s legislative mandate which does not allow for requests to carry over between parliaments.
- Since the last report we have re-examined metadata for the fourth quarter of 2022-23 and recalculated the number of options for requests that were outstanding and have since been completed. Adjustments to the completed option count has led to a net upwards revision of 6 options compared to the figures shown in the annual report.
- This is a preliminary number based on an initial assessment of the number of options involved in the parliamentary request and is subject to change on completion of the costing.

Figure 1: Number of completed request options from parliamentarians



Time to delivery performance has continued to improve. In 2022-23, we exceeded our performance target of a median time to completion of 15 days for the first time since 2018-19. We have continued this into the first quarter of 2023-24 (Figure 2 and Table 2).

Figure 2: Median response time for policy costing and budget analysis requests



Initiatives that have supported improved timeliness include:

- changing our approach to managing the costing function to reduce key person risk and distribute work more evenly – the OnePBO model
- proactively engaging with requestors to triage requests and ensure costings are clarified up front
- proactive management of request volumes and implementation of our prioritisation framework to ensure consistent progress on outstanding requests
- automated activity reporting which is regularly reviewed and acted upon.

A key driver of the time to completion is whether the PBO needs to source information from agencies to complete the request. Agencies usually have 10 days to provide information to the PBO. Average and median time to completion statistics are much shorter where an information request is not required (Table 2).

Table 2: Completed costing and budget analysis requests, disaggregated by whether the request required an associated information request

	22-23	22-23	22-23	22-23	22-23	23-24
	Q1	Q2	Q3	Q4	total	Q1
Request options completed	105	180	183	253	721	240
<i>With information requests</i>	42	63	70	45	220	102
<i>Without information requests</i>	63	117	113	208	501	138
Percentage with information requests	40%	35%	38%	18%	31%	43%
Average time to completion (business days)	20	14	19	12	15	14
<i>With information requests</i>	19	21	27	17	22	19
<i>Without information requests</i>	20	11	14	11	13	11
Median time to completion (business days)	19	15	19	10	14	14
<i>With information requests</i>	15	22	23	17	22	19
<i>Without information requests</i>	20	9	14	10	10	9

Note: the table identifies the number of 'options' received by the PBO, noting that a single request can contain multiple options.

Requests by the PBO for information from agencies

Commonwealth agencies continue to provide key information and models to assist us to complete parliamentary requests. Information requests are usually answered in 10 days, with complex requests sometimes taking longer (Table 3).

Table 3: Responses to PBO information requests

	2018-19	2019-20	2020-21	2021-22	2022-23	Q1 2023-24
Responses received in period	549	175	523	538	354	50
Percentage received on time (%)	98	99	99	99	99	96
Avg response time (business days)	7	12	11	6	10	11

Table 4 provides the breakdown of responsiveness for individual agencies since the previous activity report, from 1 April 2023 to 30 September 2023. While there were 3 late responses, they were not significantly delayed. The PBO often grants extensions to agencies to complete requests.

In the first quarter of 2023-24, the PBO commenced a series of roadshows with Commonwealth agencies to raise awareness of the legislative framework, protocols and operational arrangements that support information requests. To date all agencies have been highly engaged with the roadshows, identifying further opportunities to enhance the flow of information and assisting us to understand relevant data and models.

Table 4: Information request responsiveness by agencies in 1 April 2023 to 30 September 2023

Commonwealth entity	Responses received in period	Average of time taken to respond (business days)	Responses received after due date	% late
Attorney-General's Department	5	11	0	0%
Australian Competition and Consumer Commission	1	11	0	0%
Australian Federal Police	1	8	0	0%
Australian Institute of Family Studies	1	10	0	0%
Australian Taxation Office	13	8	0	0%
Clean Energy Regulator	2	10	0	0%
Department of Agriculture, Fisheries and Forestry	1	12	0	0%
Department of Climate Change, Energy, the Environment and Water	9	11	1	11%
Department of Defence	2	15	0	0%
Department of Education	8	6	0	0%
Department of Employment and Workplace Relations	9	8	0	0%
Department of Finance	22	8	1	5%
Department of Foreign Affairs and Trade	2	11	0	0%
Department of Health and Aged Care	10	9	0	0%
Department of Home Affairs	5	11	1	20%
Department of Industry, Science and Resources	3	9	0	0%
Department of Infrastructure, Transport, Regional Development and Communications and the Arts	8	14	0	0%
Department of Social Services	42	16	0	0%
Department of the Treasury	30	10	0	0%
Department of Veterans Affairs	12	10	0	0%
Domestic, Family and Sexual Violence Commission	1	11	0	0%
National Disability Insurance Agency	2	7	0	0%
National Housing Finance and Investment Corporation	1	10	0	0%
National Indigenous Australians Agency	1	8	0	0%
NDIS Quality and Safeguards Commission	1	8	0	0%
Services Australia	8	8	0	0%
Total	200	11	3	2%

Publicly referenced parliamentary requests

Table 5 shows parliamentary requests that were publicly referenced for the first time in the period from 1 May 2023 to 30 September 2023. The items listed include references to costings or analysis, whether or not the associated request minute has been publicly released. Of the 12 costings that were publicly referenced, 8 related to costings that were either public at the time or subsequently released (67%). Figure 3 provides a breakdown of this practice by quarter since 2021-22. In quarter 1 2023-24, 4 of the 5 publicly referenced costings were publicly released.

Table 5: Costings or budget analysis publicly referenced for the first time and method of release between 1 May 2023 and 30 September 2023

Description of policy	Party or parliamentarian	Method	Date of announcement	Date of PBO release
The cost of nuclear submarines ^(a)	Australian Greens	Online	28 April 2023	1 May 2023
Changes to franked distributions funded by capital raisings	Senator Andrew Bragg	Public statement, online, print	3 May 2023	22 May 2023
Regional funding	Mr Sam Birrell MP	Print	5 May 2023	Not released
Cost of an environmental protection agency	Mr Andrew Wilkie MP	Press release, Online. Print, Radio	11 May 2023	11 May 2023
Supporting Jobseekers to work more	The Hon Angus Taylor MP	Press club address, radio, online, print television	16 May 2023	Not released
Distributional impact of Stage 3 tax cuts	Australian Greens	Online, print, radio, television	16 May 2023	17 May 2023
Budget analysis of the Stage 1, 2 and 3 tax cuts	Senator Andrew Bragg	Online, print	12 June 2023	Not released
Fully funding public schools	Mr Andrew Wilkie MP	Parliamentary speech, print, online, radio, television	13 July 2023	12 July 2023
Lowering the PRRT deductions cap	Australian Greens	Online, print	2 August 2023	1 August 2023
Implied cost of supporting rentals through investors' tax breaks	Australian Greens	Media release, online, print, radio	3 August 2023	3 August 2023
Commonwealth rent assistance	Ms Zoe Danial MP	Television	16 August 2023	Not released
Home battery tax relief	Senator Andrew Bragg	Online	18 August 2023	21 August 2023

Note: While the PBO endeavours to capture all policy announcements that reference PBO costings, there may be announcements missing from the table above, for example, because the announcement was not reflected in any media monitored by the PBO.

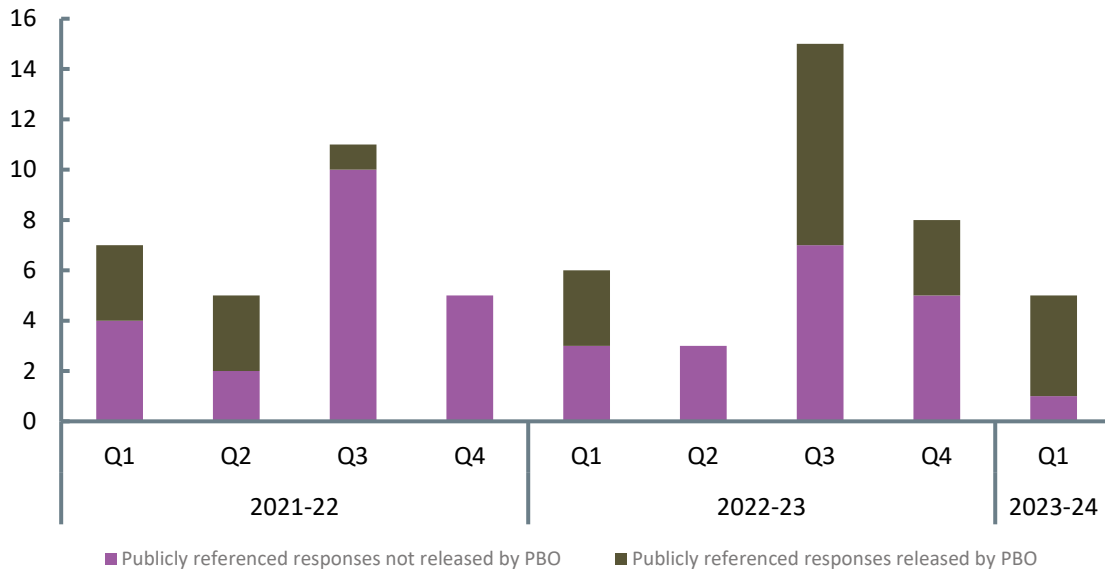
(a) This item was previously reported in the May 2023 Activity Report as announced but not published.

Usually, all PBO responses to parliamentarian requests are confidential, except those prepared for parliamentary committees. If a requestor asks the PBO to publicly release their request, it is subsequently published on the PBO website. A total of 21 parliamentary requests were published in 2022-23, compared to 4 for 2019-20 (the most recent post-election year), and 7 in 2021-22 (prior year). In the first quarter of 2022-23, 4 requests were published.

In the period from 1 May 2023 to 30 September 2023, the following request responses were publicly released, but not referenced by the media.

- *Expanding paid parental leave eligibility to PhD candidates* (prepared for Mr Andrew Wilkie MP, released on 26 June 2023)
- *Legalisation of vaping products* (prepared for Senator Matt Canavan, released on 29 June 2023).

Figure 3: Publicly referenced responses by release status



Correcting the record

We routinely monitor references to the PBO in media articles to ensure we, and the information or advice we prepared, are referenced correctly. Our policy for correcting the record is on our [website](#).

Since 1 May 2023 to the end of September 2023, we have requested a correction on less than 10 occasions. All cases related to factual errors. In a very small number of those cases, corrections were not made but were immaterial.

We report this information at an aggregate level for transparency while maintaining confidentiality.

Data and Analysis Enhancement

On 27 July 2023, we released our *2023-25 Data and Model Strategy* setting out the objectives, key actions and responsibilities that support the management of data and models held by the PBO.

An aim of the strategy is to improve the efficiency of our analytical processes. For example, we have developed a new Simplified Model of Australian Representative Tax-filers (SMART) that significantly reduces the time to complete personal income tax related analysis. Using modern data techniques to generate ‘representative groups’ of taxfilers from raw data, SMART overcomes confidentiality issues associated with unit record data, in an easy to use excel spreadsheet form.

As part of our aspiration to make the complex accessible, we are also focused on increased data visualisation capability. We are leveraging PowerBI for our website presentation of data, with interactive charts used for our website html version of *Beyond the budget 2023-24*.

Self-initiated program

We retain flexibility within our self-initiated work program and periodically re-evaluate our priorities, given available resources. Our projects explore the following themes:

- fiscal sustainability
- medium- and long-term fiscal risks
- improving understanding of the budget

- distributional analysis.

The following self-initiated publications have been released since the last activity report:

- *Beyond the budget 2023-24: fiscal outlook and scenarios* (28 June 2023)
- *Build your own budget* (28 June 2023)
- *Historical budget forecasts* (13 September 2023).

During the period, we released the annual flagship fiscal sustainability report *Beyond the budget*. It details our medium-term projections for a large set of government revenue and expenditure programs, and updates our analysis of the government's fiscal sustainability over the long term.

The report was underpinned and accompanied by *Build your own budget*, an interactive fiscal analysis tool, enabling users to input their own economic and policy assumptions and settings to explore impacts on the budget. *Build your own budget* was downloaded around 3,000 times during the first fortnight of publication. The tool was accompanied by a short demonstration video, which has been viewed nearly 2,000 times.

The latest addition to our Data portal is an easily accessible dataset of fiscal and economic forecasts published in previous budget updates, back to 1996-97 for some items.

In total for 2022-23, we released a record 19 self-initiated publications. A full list is at Attachment A.

On 21 September 2023 we also held our annual Expert Panel meeting. The panel brings together a selection of economic, fiscal and public finance experts to assist in ensuring that our work is of the highest analytical quality, is well considered and draws upon expertise from a range of sources. The meeting discussed feedback on recent publications and the proposed self-initiated work program.

Election preparedness

Planning has commenced in anticipation of the next general election. This has included a high-level preparedness assessment, capturing lessons learned from our after action review of the 2022 *Election Commitments Report* process, and a staff seminar. Development of a workforce strategy has commenced to ensure we have staff with the right skills and experience to support an effective election process. Early planning on ICT requirements has also started.

External engagement

A key priority for the PBO is to enhance our interactions with parliamentarians, their staff, and committees. We are committed to continual improvement in our service delivery and to making our work accessible to our audience.

We held 1 *Budget Insight* seminar during the last quarter: an introduction to the *Build your own budget* tool. The *Budget Insights* series aims to support parliamentarians and their staff to better understand the budget process and fiscal issues. Since the last report, we have also made presentations to the Australian Conference of Economists and the Managing Government Finances course at the University of Canberra.

We had the opportunity to support the Fijian Government by sending a staff member to the Floating Budget Office (FBO) in June. The FBO brings together researchers and budget analysts from across the region to assist the Fijian Parliamentary Library in preparing a series of briefs on the Fijian Budget for use during debates in the parliament. In September, we also hosted a delegation from the Mozambique Ministry of Finance and Economy during their IMF sponsored Australian study tour.

Semi-structured stakeholder interviews (tranche 2)

We continue to actively seek feedback from parliamentarians or their offices to support continuous improvement in our services and inform performance reporting. In August 2023, we undertook a second round of semi-structured interviews with a random sample of stakeholders who had requested costings or budget analysis between January to June 2023. In addition to feedback on the parliamentary request process, we also sought feedback on our new website and client awareness and use of PBO tools and publications.

Overall, those sampled were either satisfied or very satisfied with the quality of the costing/budget analysis prepared by the PBO. This is consistent with the feedback received in the first tranche of interviews (undertaken in February and March 2023) and indicates that we are sustaining strong levels of satisfaction in relation to the quality of our outputs.

In particular, feedback was positive in relation to timeliness of costing requests. All participants also agreed that PBO staff were professional and helpful, and that upfront discussions with the PBO around the work assisted with the process.

Additionally, the majority of those sampled were very satisfied with their direct experiences with the PBO.

All of those sampled were aware that we also publish self-initiated work, however not all had interacted with the content. Participants specifically mentioned *Build your own budget*, *Beyond the budget 2023-24* (fiscal sustainability), and various budget explainers. Overall, feedback was positive, with participants seeking more self-service products to test their initial thinking and progress ideas.

Initial observations regarding the new website were positive. Participants mentioned that it is easier to navigate and find what they are looking for. Visually, the new website looks much better and less outdated, and it is a lot more interactive.

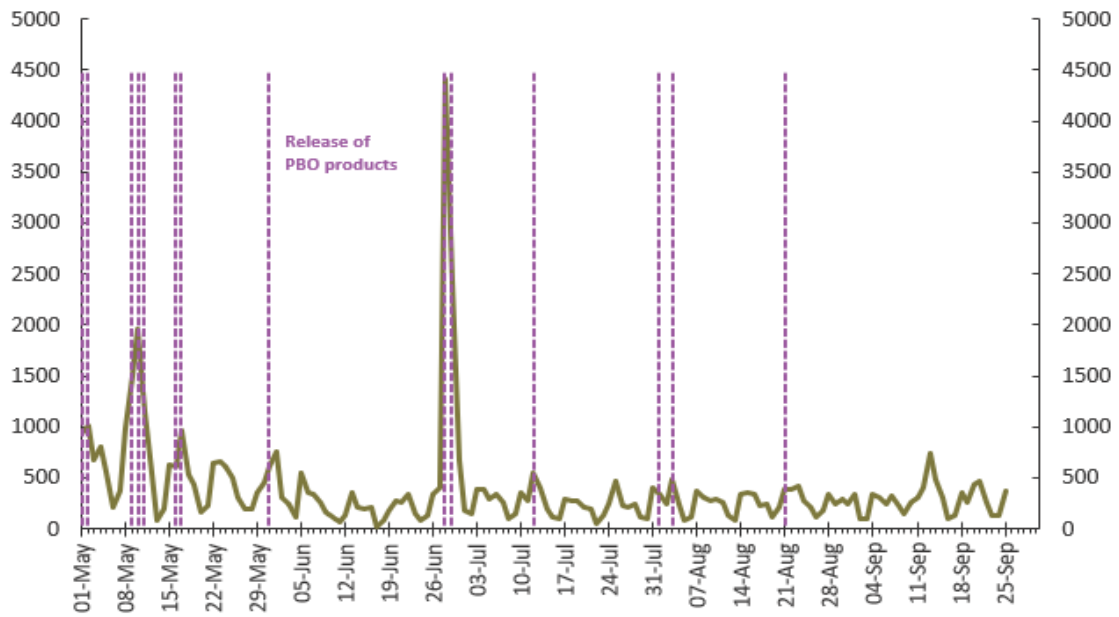
There were also opportunities for further improvement identified, including improving our communication in managing costing requests and our costing processes. Consistent with the first tranche of semi-structured interviews, participants are interested in more education, particularly to help new staff, and materials to enhance awareness and understanding of the costing process and the scope of our work.

Semi-structured stakeholder interviews continue to provide valuable insights in relation to client satisfaction and our performance, particularly as we begin to identify trends over time. The next tranche of semi-structured stakeholder interviews is proposed to take place around the middle of next year, with the triennial stakeholder survey to be rolled out in March 2024.

Digital engagement statistics

Interest in our products can be seen through the statistics on webpage views. These figures, together with relevant dates, are shown in Figure 4. The largest peak in the period coincided with the release of *Beyond the Budget* and the *Build your own budget* tool, both released on 28 June 2023.

Figure 4: Overview of webpage views and release of PBO products



People and systems

We continue to invest in our people and systems to build depth, drive efficiency and improve resilience. A key focus is to build a high-performing team culture and to embed our OnePBO model – an agile arrangement where all technical teams are involved in completing parliamentary requests, engagement and self-initiated activity, promoting cross-team collaboration and operational flexibility.

Since the last report, we completed 2 staff check-ins on OnePBO implementation and the 2023 APS Census (8 May-9 June 2023). We received the census results in August 2023. A staff-led forum is working through the results to develop an action plan, expected to be completed in November 2023.

Staffing

At 28 September 2023, we had 45 full-time equivalent (FTE) staff and a headcount of 46. In 2022–23, we estimate an average staffing level (ASL) of 44.

We are continuing to participate in the Parliament of Australia graduate program. During the 2022-23 round the PBO had 6 successful graduate placements. The PBO has commenced work to recruit graduates for placement in 2024 as part of the current round.

Review into Parliamentary culture

We are working with the other parliamentary departments to effectively coordinate responding to the Jenkins review and associated matters, including the Foster review and any recommendations from Comcare. Since the last update, the focus has been on Workplace Health and Safety arrangements and how we can best collaborate on shared duties across parliamentary workplaces.

Progress has also been made on developing a Stretch Reconciliation Action Plan and a Disability Inclusion Plan in collaboration with other parliamentary departments.

Information and communication technology (ICT) capability

The PBO operates in a modern, collaborative, and integrated cloud-based ICT environment. We have progressed 2 key ICT projects to enhance our services: a new website and parliamentary portal project.

Website project

The new PBO website went live on 1 June 2023. The site features improved navigation and search functionality, flexibility to use more interactive tools and the ability for PBO staff to more closely manage the site directly. The project is now complete.

Parliamentarian portal

We are working with the Department of Parliamentary Services (DPS) on a self-service portal that allows authorised users to submit, manage, and download costings and budget analysis requests. This will be supported by real-time management of status and prioritisation of requests.

Development work is continuing, and user testing has now begun.

Concluding summary

The PBO continues to experience strong demand for its services compared to the same period after the previous election. We delivered a record number of publications in 2022-23, and are planning a strong publication schedule for the year ahead, as well as more Budget insights seminars to support enhanced understanding of the budget cycle and fiscal policy issues.

We will continue to update our systems, and technology, with the aim of enhancing our relationships with parliamentarians, while building our interactive tools and refreshing our staffing and capability plans.

Attachment A: 2022-23 - Self Initiated Products

Title of publication	Date of publication	Major or occasional
Quarter 4		
<i>Beyond the budget 2023-24: Fiscal outlook and scenarios</i>	28 June 2023	Major
<i>Build Your own budget: 2023-24 Budget</i>	28 June 2023	Occasional
<i>Guide to the 2023-24 Budget</i>	10 May 2023	Occasional
<i>2023-24 Budget snapshot</i>	9 May 2023	Major
<i>Historical fiscal data</i>	9 May 2023	Occasional
<i>Indexation & the budget – long-term impacts</i>	2 May 2023	Occasional
<i>How is super taxed?</i>	29 April 2023	Occasional
Quarter 3		
<i>Indexation and the budget – an introduction</i>	1 March 2023	Occasional
<i>JobSeeker Payment: COVID-19, age & gender</i>	12 January 2023	Occasional
Quarter 2		
<i>Build your own budget – consultation release</i>	15 December 2022	Occasional
<i>Beyond the budget 2022-23: Fiscal outlook and scenarios (including a fiscal sustainability dashboard)</i>	8 December 2022	Major
<i>Trends in personal income tax</i>	18 November 2022	Occasional
<i>Guide to the 2022-23 October Budget</i>	27 October 2022	Occasional
<i>2022-23 October Budget snapshot</i>	25 October 2022	Major
<i>Historical fiscal data</i>	25 October 2022	Occasional
<i>National fiscal outlook: As at 2022-23 Budgets</i>	5 October 2022	Major
Quarter 1		
<i>Overview of the budget process</i>	27 September 2022	Occasional
<i>Fuel taxation in Australia</i>	21 September 2022	Occasional
<i>Budget Glossary – various entries</i>	August 2022	Occasional